

The Journal Gazette

(/)

JGBUSINESS (/BUSINESS)

Tuesday, October 22, 2019 1:00 am

Opioid settlement reached in Ohio

JULIE CARR SMYTH AND GEOFF MULVIHILL | Associated Press

CLEVELAND – The nation's three biggest drug distributors and a major drugmaker agreed to an eleventh-hour, \$260 million settlement Monday over the terrible toll taken by opioids in two Ohio counties, averting the first federal trial over the crisis.

Across the U.S., the pharmaceutical industry still faces more than 2,600 other lawsuits over the deadly disaster. Participants in those cases said Monday's deal buys them time to try to work out a nationwide settlement of all claims.

Later in the day, a group of four state attorneys general laid out what they called a national agreement in principle with five companies. But a lawyer for local governments suing over opioids dismissed it as something that had already been rejected.

The narrower settlement that was reached Monday was struck in the middle of the night, just hours before a jury that was selected last week was scheduled to hear opening arguments in a trial in federal court in Cleveland.

The trial involved only two counties – Cleveland's Cuyahoga County and Akron's Summit County – but was seen as an important test case that could have gauged the strength of the opposing sides' arguments and prodded them toward a nationwide resolution of all claims.

Under the settlement, drug distributors AmerisourceBergen, Cardinal Health and McKesson will pay a combined \$215 million, said Hunter Shkolnik, a lawyer for Cuyahoga County. Israeli-based drugmaker Teva will contribute \$20 million in cash and \$25 million worth of generic Suboxone, a drug used to treat opioid addiction.

"People can't lose sight of the fact that the counties got a very good deal for themselves, but we also set an important national benchmark for the others," Shkolnik said.

The deal contains no admission of wrongdoing by the defendants, said Joe Rice, a lead plaintiffs' lawyer.

But it could turn up the pressure on all sides to work out a nationwide deal, because every partial settlement reduces the amount of money the companies have available to pay other plaintiffs.

Across the country, drug manufacturers, suppliers and sellers face a barrage of lawsuits brought by state and local governments, Native American tribes, hospitals and others over the opioid crisis, which is blamed for more than 400,000 deaths in the U.S. over two decades. For nearly two years, a federal judge in Ohio has been pushing the parties toward a settlement of all the lawsuits.

Separately, the small distributor Henry Schein also announced Monday that it is settling with Summit County for \$1.25 million. The company was not named in Cuyahoga's lawsuit.

The only defendant left in the trial that had been scheduled for Monday is Walgreens. The new plan is for it and other pharmacies to go to trial within six months.

Copyright © 2019 www.journalgazette.net

600 W. Main Street

Fort Wayne IN 46802

[Terms of use and privacy policy \(/terms-of-use/\)](#)

[Site map \(/site-index/\)](#)